

2003 AVIATION DIVISION BUSINESS PLAN UPDATE BRIEFING PAPER

Prepared for the
December 2003 TRANSPORTATION COMMISSION
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Approved by: Paula J. Hammond, Chief of Staff

PURPOSE:

The purpose of this briefing is to provide a status report of the 2002-03 Aviation Division Business Plan and an update on the development of the 2004-05 Aviation Business Plan and the WSDOT Aviation Strategic Plan.

OUTCOME:

The 2002-03 WSDOT Aviation Business Plan objectives were achieved.

BACKGROUND:

During my time as Director, I redirected focus of the division on several programs that needed attention. The WSDOT Aviation Division is pleased to report that we met our 2002-03 objectives by instituting good business practices with our Local Airport Aid grant program, streamlined the pilot and aircraft registration program, and obtained additional revenue for preserving Washington airports.

The key missions of WSDOT Aviation is to 1) integrate aviation into the state transportation system, 2) maintain accountable and transparent business practices, performance and project delivery, and 3) effectively communicate delivery and premier customer service.

An overview of the division's accomplishments and expenditure report are attached.

2004-05 WSDOT Aviation Business Plan and Strategic Plan

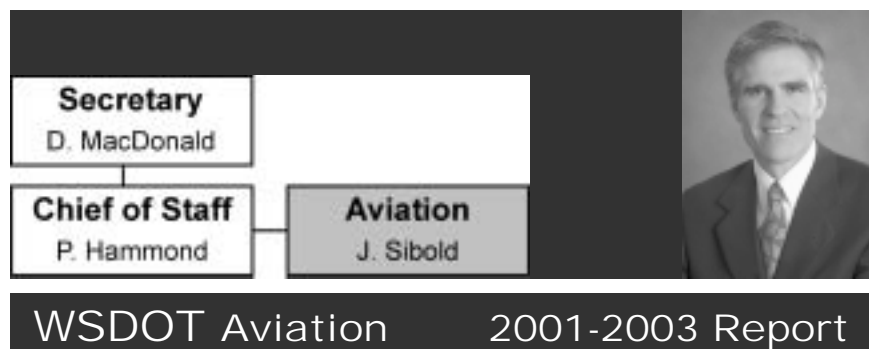
In June 2003, WSDOT Aviation convened three study teams through the Aviation Advisory Committee and the Transportation Commission to examine the division's key strategic direction and develop recommendations that consider efficiencies, issues and emerging trends. The three groups included the Aviation System Plan Study Team, Education Study Team, and Search and Rescue Study Team. The study team recommendations will provide input for the 1) formation of the WSDOT Aviation 2004-05 business plan, 2) WSDOT Aviation Strategic Plan, and 3) the work program for the Washington State Legislative Transportation Committee.

The study teams included aviation interests including large public ports, small general aviation airports, regional planning organizations, small and medium sized cities, state and federal agencies, and the Washington State Legislature.

The highlights of the study team conclusion include utilizing the regional planning processes of MPOs and RTPs to define Washington's aviation system, developing an aviation education web-based information clearinghouse, and continuing the volunteer program for air search and rescue through the Civil Air Patrol (CAP) and the Washington Air Search and Rescue (WASAR) pilots.

Formal public comment on the draft study team recommendations will be accepted until December 20, 2003.

For further information, please contact John Sibold, Aviation Director at 360-651-6301.



What we do

In 1977, the Washington State Legislature consolidated the Washington State Aeronautics Commission formed in 1947, as a division within WSDOT, the Aeronautics Division. A name change occurred in the mid-1990s to the Aviation Division. The role of WSDOT Aviation is to promote the integration of aviation into the Washington State transportation system to meet the increasing demand for public transportation.

WSDOT Aviation supports local preservation and improvement efforts at the 130 public use airports in Washington primarily through an airport aid grant program and technical assistance. The division operates 16 emergency airports and is responsible for the management of air search and rescue statewide.

Key missions

- Integration of aviation into the state transportation system
- Accountability and the transparency of business practices, performance and project delivery
- Effective communication of delivery and premier customer service

Airport Preservation

WSDOT's airport aid program distributes airport improvement grants to cities, counties and port districts primarily for pavement, safety, security, planning and improvement projects. The program partners federal funds to better leverage state resources for airport development.

2003 Local Airport Aid Accomplishments

- Distributed \$1.26 million to 29 general aviation airports in Washington
- 65% grant dollars were allocated to pavement preservation projects
- Used grants dollars to leverage an additional \$4 million in Federal Aviation Administration (FAA) Airport Improvement Program grants into general aviation airports

2001-2003 Airport Aid Program Expenditures

Airport Aid Grants	\$1,776,042
Office Support	\$13,218
Program Support	\$19,018
Travel	\$8,353
Equipment	\$453
Labor (1 FTE)	\$131,667

Airport Land Use Compatibility Program

In 1996, state legislature amended the Washington State Growth Management Act requiring cities and counties to protect airports from incompatible development, and called for WSDOT Aviation to offer technical assistance to jurisdictions on airport compatibility. Since 1996, the Airport Land Use Compatibility Program provided technical assistance to jurisdictions in the amendment of 78 comprehensive plans and development regulations consistent with RCW 36.70.547.

Aviation System Planning Program

In 2003, WSDOT released an updated inventory of the airports in Washington that contains existing and forecasted activities and facilities for the 130 airports. Washington is one of the few states that provide access to the system plan database on the web. The system-wide inventory contains information on intermodal connections, land use, airport operation trends, design standards, pavement conditions, airspace obstructions, and capital improvement projects. The information is used to find out where system needs are and in planning state and federal budgets to fix the gaps.

Unique to the update was the survey of runway end coordinates, elevations, and controlling obstacles. The project team found several airports where runway end coordinates were off by several hundred feet. The survey information will help WSDOT and FAA better identify airports that can support improved navigation or locations needing land use provisions.

WSDOT Aviation through Washington State University prepared the Rural Airport Study to document the unique and important role small rural airports perform in relation to rural isolation, economic survivability, and movement of medical supplies and patients in light of many rural hospital and medical office closures. Congress considered the study in reauthorization of the non-primary entitlement program.

2001-2003 Planning Program Expenditures

Inventory contract - Fed \$	\$519,783
Office Support	\$10,377
Program Support - WSU	\$130,515
Travel	\$6,960
Equipment	\$453
Labor (2 FTE)	\$320,148

State Airports

Aviators received access to Washington's backcountry airstrips earlier and longer this past year. Due to cooperative weather conditions and sweat equity of many volunteers, pilots were aloft earlier this season to favorite airports. Most airports were open a month early and several that typically close October 1st stayed open later, despite the latest downpour of rain.

WSDOT Aviation hired Jim Scott as the Airport Maintenance Supervisor, a long time pilot and aviation enthusiast. Right out of the blocks, Jim secured volunteers to adopt many of the 16 state airports. In its first year, 10 of the 16 state airports retained sponsors through the WSDOT Aviation Adopt An Airport program.

2001-2003 State Airport Program Expenditures

Facility Operations	\$9,754
Maintenance & Insurance	\$85,994
Program Support	\$4,057
Travel	\$11,249
Equipment	\$17,058
Labor (1 FTE)	\$111,497
Buildings & other	\$19,038

Aircraft Search and Rescue

Pursuant to RCW 47.68.380, WSDOT Aviation is responsible for managing all aerial search and rescue within the state, including missing aircraft and electronic emergency signal alarms. The search and rescue program is funded through a dedicated account (Search and Rescue, Safety and Education Account) generated from state pilot and mechanic registration. WSDOT Aviation administers the state registration of airmen and aircraft.

WSDOT Aviation provided search management for 4 missing aircraft. The largest air search and rescue mission this past year involved a missing twin engine Cessna that was last seen leaving Pangborn Memorial Airport in East Wenatchee. WSDOT Aviation launched a volunteer air search and rescue mission headed by former search coordinator Karl Moore. In all, the group of searchers spent 3,500 hours flying 300 sorties trying to locate the plane. The search was officially called off on May 1. On August 12, the accident site was located about eight miles north-northwest of the City of Mazama. Authorities believe the aircraft may have been transporting drugs at the time of the crash.

Throughout 2002, 4 search and rescue training courses and 2 practice missions were held with 150 participants. Emergency beacon alerts occurred 200 times with 30 events requiring volunteers to locate the errant ELTs.

2001-2003 Search and Rescue Program Expenditures

Facility Operations	\$25,992
Training and Education	\$56,709
Office Support	\$6,724
Program Support - Printing	\$14,598
Travel	\$10,824
Labor (0 FTE)	\$20,225
Search Missions	\$7,690

Management and Administration

Legislative Review Keeps Division in WSDOT

During the 2001-03 biennium, the Joint Legislative Audit and Review Committee (JLARC) completed a study of the Aviation Division that was mandated by the Legislature. The major purpose of the study was to assess the merits of retaining the Aviation Division as part of the Department of Transportation and the alternative of creating a separate

Aviation Agency. The study concluded that Aviation should remain part of the department.

One of the recommendations of the study was that Aviation should encourage and facilitate greater involvement of the aviation community and other stakeholders in providing oversight of Aviation activities and policy guidance.

Introduction of the Aviation Advisory Committee

The Aviation Advisory Committee under the leadership of Aviation Director, John Sibold, was formed as a means to improve customer service and involvement. Comprised of state aviation leaders, the purpose of the Alliance is to solicit input on important issues facing aviation in Washington State

Reporting to the Director, the Aviation Advisory Committee is helping create the Aviation Business Plan and the Strategic Business Plan that will be used to develop budget priorities and financing strategies for future biennia.

Aviation Advisory Committee Members

H. Smith, Washington Pilots Association
 Tim Brooks, Kenmore Air Harbor
 Dan Burkhart, National Business Aircraft Association
 Bonnie Hillary, Museum of Flight
 Jeff Robb, Washington Airport Management Association
 Carol Key, Federal Aviation Administration
 Peter Anderson, Galvins Flying Service
 Jim Morasch, Washington Public Ports Association
 J. Scott Plank, Member at Large
 Jerry Richardson, Community Airports Association
 Dale Newell, Civil Air Patrol
 The Honorable Mary Place, Mayor of Yakima
 Barbara Tolbert, Experimental Aircraft Association
 John Sibold, WSDOT Aviation Director
 Russ Keyes, Member at Large

WSDOT wishes to thank outgoing advisory committee members for their exemplary service and sage advice: Tom Green, Civil Air Patrol, Al Banholzer, Washington Pilots Association, and Lynae Jacobson, Washington Airport Management Association.

Registration Improvements

We streamlined our registration by offering the program online, and our online market share is 45%.

WSDOT Aviation intensified outreach efforts on the change in law that increased fees to \$15, and levies civil penalties against delinquent registration. This effort generated a 20% increase in registration compliance from last year, increasing revenues by \$100,000. We strengthened communication with pilots by creating the Aviation News Service, which provides registered aviators with up-to-the-minute aviation-related news.

In September, WSDOT Aviation won a national award for innovation from the National Association of State Aviation Officials for the new online program and Aviation News Service.

YEAR	TYPE	CREDIT CARD COUNT	CREDIT CARD \$ AMOUNT	CASH COUNT	CASH \$ AMOUNT	TOTAL COUNT	TOTAL \$ AMOUNT
2003	Aircraft	1,309	\$73,803.53	4,471	\$248,526.21	5,780	\$322,329.75
	Pilot	5,416	\$54,944.00	5,190	\$53,224.00	10,604	\$108,138.00
	Mechanic	174	\$1,240.00	324	\$982.00	498	\$2,222.00
		6,899	\$129,987.53	9,985	\$302,732.21	16,882	\$432,689.75

For Comparison:

YEAR	TYPE	CREDIT CARD COUNT	CREDIT CARD \$ AMOUNT	CASH COUNT	CASH \$ AMOUNT	TOTAL COUNT	TOTAL \$ AMOUNT
2002	Aircraft	2	\$116.00	4,027	\$229,114.78	4,029	\$229,230.78
	Pilot	15	\$120.00	8,380	\$67,079.00	8,395	\$67,199.00
	Mechanic			5	\$16.00	5	\$16.00
		17	\$236.00	12,412	\$296,209.78	12,429	\$296,445.78

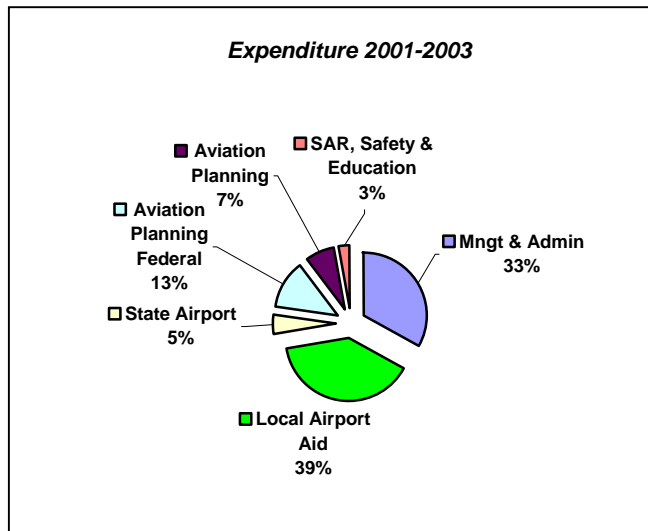
Printing and postage costs remain significant expenditures in Management and Administration exceeding \$120,000. However, by offering registration services, outreach materials and the pilots guide online, WSDOT Aviation anticipates efficiencies to be gained in the 2003-2005 biennium. The goal is to streamline administrative process without reducing the high level of customer service provided.

2001-2003 Management & Administration Expenditures

Facility Operations	\$161,267
Office Support – Phone/Data/Insurance/Supplies	\$158,527
Program Support – Printing/Aircraft	

Maintenance/NASAO/Other	\$173,644
Travel	\$19,331
Labor (8 FTE)	\$805,669
Equipment	\$30,046
Other – relocation/airplane engine/building/Attorney General Fees	\$296,264

WSDOT Aviation Expenditures



Budget and ten year outlook:

Aviation	2003-05		2003-13
	FTEs	Budget	Plan
Program Total	10.5	\$6.0 M	\$32.7 M

Aeronautics Account

Management and Support	5.5	\$1.5 M
Local Airport Aid	3	\$3.2 M
State Airport Maintenance	1	\$0.3 M
Aviation and Land Use Planning	1.5	\$0.4 M
Search and Rescue, Education	0	\$0.2 M
Total	11	\$6.0 M

Aviation Business Plan

In June 2003, WSDOT Aviation convened three study teams through the Aviation Advisory Committee to examine the division's key strategic direction and develop recommendations that consider efficiencies, issues and emerging trends. The three study groups included the Aviation System Plan Study Team, Education Study Team, and Search and Rescue Study Team. The study team recommendations will provide input for three primary purposes:

- WSDOT Aviation 2004-2005 Business Plan
- WSDOT Aviation long-range Strategic Plan
- Work program for the Washington State Legislative Transportation Committee

Future budget recommendations will be based upon these plans and input from the WSDOT Aviation customers and public.

WSDOT Aviation Program

Expenditure History for 2001-03 and Scores of Funds

Revenue Source	FTE	FY 2002	FY 2003	Notes	Total Biennium
Aircraft Registration		\$37,000	\$45,176		\$82,176
Aircraft Excise Tax		\$22,464	\$27,466		\$49,930
Pilot Registration		\$70,533	\$85,576		\$156,109
Aircraft Fuel Tax		\$1,817,236	\$1,727,384		\$3,544,620
Aircraft Dealers		\$4,200	\$4,200		\$8,400
Federal Grants		\$104,132	\$260,406		\$364,538
Miscellaneous			\$61,396	[1]	\$61,396
Total Revenue		\$2,055,565	\$2,211,604		\$4,267,169

Subprogram Expenditures

Aviation Management and Support

Facility Operations		\$78,537	\$82,730		\$161,267
Office Operations Support		\$47,785	\$110,742	[2]	\$158,527
Aviation Program Support		\$87,666	\$85,978		\$173,644
Travel		\$5,829	\$13,502		\$19,331
Equipment Rental		\$17,271	\$12,775		\$30,046
Labor (FTE)	7.12	\$389,437	\$416,232	[3]	\$805,669
Other		\$16,067	\$280,197	[2]	\$296,264
Program Total		\$642,592	\$1,002,156		\$1,644,748

Local Airport Aid

Airport Aid Grant		\$1,050,948	\$725,094	[4]	\$1,776,042
Office Support		\$6,229	\$6,989		\$13,218
Aviation Program Support		\$3,975	\$15,043		\$19,018
Travel		\$4,416	\$3,937		\$8,353
Equipment		\$3	\$450		\$453
Labor	1.29	\$28,511	\$103,156	[3]	\$131,667
Program Total		\$1,094,082	\$854,669		\$1,948,751

State Airports

Facility Operations		\$6,395	\$3,359		\$9,754
Maintenance & Insurance		\$50,403	\$54,629		\$105,032
Program Support		\$2,483	\$1,574		\$4,057
Travel		\$4,437	\$6,812		\$11,249
Equipment		\$9,482	\$7,577		\$17,059
Labor	1.08	\$58,452	\$53,045	[3]	\$111,497
Program Total		\$131,652	\$126,996		\$258,648

System Planning and Compatible Land Use Program

System Planning - Consultant		\$192,471	\$327,312	[5]	\$519,783
Office Support		\$7,005	\$3,372		\$10,377
Program Support		\$72,033	\$58,482		\$130,515
Travel		\$2,887	\$4,073		\$6,960
Equipment		\$0	\$453		\$453

Labor	2.04	\$157,386	\$162,762	[3]	\$320,148
Program Total		\$431,782	\$556,454		\$988,236

Search and Rescue

Facility Operations		\$12,360	\$13,631		\$25,991
Training and Education		\$18,597	\$38,112	[6]	\$56,709
Office Support		\$1,459	\$5,265		\$6,724
Program Support		\$4,850	\$9,748	[7]	\$14,598
Travel		\$3,449	\$7,375	[7]	\$10,824
Labor	0.29	\$672	\$19,553	[3]	\$20,225
Search & Rescue		\$1,063	\$6,627	[7]	\$7,690
Program Total		\$42,450	\$100,311		\$142,761

Total	11.79	\$2,342,558	\$2,640,586		\$4,983,144
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Notes

- [1] Increased income based upon disposal of aircraft assets and interest income.
 - [2] Expenditures include relocation costs, engine replacement and online registration program; each are one-time costs.
 - [3] FTE vacancies in 2002, filled in 2003; labor costs applied to cost center.
 - [4] Majority of grants issued in first year of biennium; second year grants were carried over to 03-05 biennium to meet the new state standards.
 - [5] Forecast and Economic Study in first year; Airport inventory in second year.
 - [6] First year FIRC and IA training provided in-house with minimum consultant participation; second year all FIRC and IA services contracted.
 - [7] Exenditures associated with second year search mission.
- FIRC: Flight instructor refresher clinics**
IA: Inspection Authorization (mechanic) renewal clinics